

5 GPO MYTHS BUSTED

GET THE FACTS ABOUT
GROUP PURCHASING
ORGANIZATIONS

OMNIA
PARTNERS

FACT OR FICTION

Procurement professionals must wear many hats and satisfy a variety of internal and external stakeholders, from the front lines to the C-suite. Group Purchasing Organizations (GPOs) partner with members to empower them to visualize and defend spend every step of the way, mitigating risk while meeting budgetary and company goals. There are many preconceived notions about GPOs that simply are not accurate. When it comes to spend, procurement needs the facts! **Let's unpack some of these falsehoods with five GPO myths busted!**



FIVE
FALSEHOODS ABOUT
GPOS

MYTH

My company's needs and goals are unique, GPOs cannot satisfy our specific requirements.

TRUTH

GPOs operate within a flexible framework that allows members to enjoy all the benefits of group leverage while retaining the ability to negotiate adjustments and incorporate options that address specific needs.

Members participate in structuring supplier agreements so the options that are created are best suited for their goals, no matter how unique those goals may be.

MYTH

Our team can realize greater savings on our own for certain categories.

TRUTH

There's no requirement or obligation for a member to partake in any given agreement, but GPOs are a resource that create value in numerous ways aside from cost savings. GPOs partner with their suppliers to ensure superior performance enhancements and terms and conditions, to provide inherent, sustainable value. Additionally, since the GPO is handling all of the sourcing efforts the procurement team will save up to 500 sourcing hours in addition to the hard dollar savings provided from GPO leverage.

MYTH

Working with a GPO will reduce procurement's relevance in my organization.

TRUTH

GPOs act as an extension of your team to increase your resources. By partnering with a GPO, procurement expands its scope of control and enhances its relevance. GPOs act as your advocates to enhance your strategy and drive efficiency, effectiveness and real savings. GPOs will help increase total cost of ownership, lower rates and never sacrifice quality.

MYTH

The only way to guarantee you're receiving true cost-savings is to go out to bid or a RFP.

TRUTH

As part of the large, GPO network members benefit from increased buying power, which yields cost-effective pricing, timely turnarounds and superior contracts. GPOs focus on the entire sourcing process, using market intelligence to help members make informed purchasing decisions, and build quality depth in the supply chain. Cost savings is just the beginning - collective buying power translates into savings across the board and inherent value beyond cost. Since GPOs have a seat at the table with suppliers, service requests are elevated, contracts are pre-negotiated, making RFPs are unnecessary.

MYTH

Cost savings is important but working with market-leading suppliers is more important. GPOs offer low-bid suppliers that won't fit our standards..

TRUTH

GPOs enable members to build valuable, long-term relationships with market-leading supplier partners. GPOs have a total cost philosophy, working with only world-class supplier partners that will provide optimal quality in addition to reduced rates. The goal is to provide insightful, scalable solutions for member spend categories while ensuring limitless partnership potential. GPOs provide members with an enhanced experience that combines the power of our group leverage with the agility of a custom program. GPOs work collaboratively with suppliers to identify continuous process improvements and provide innovation through best practices.

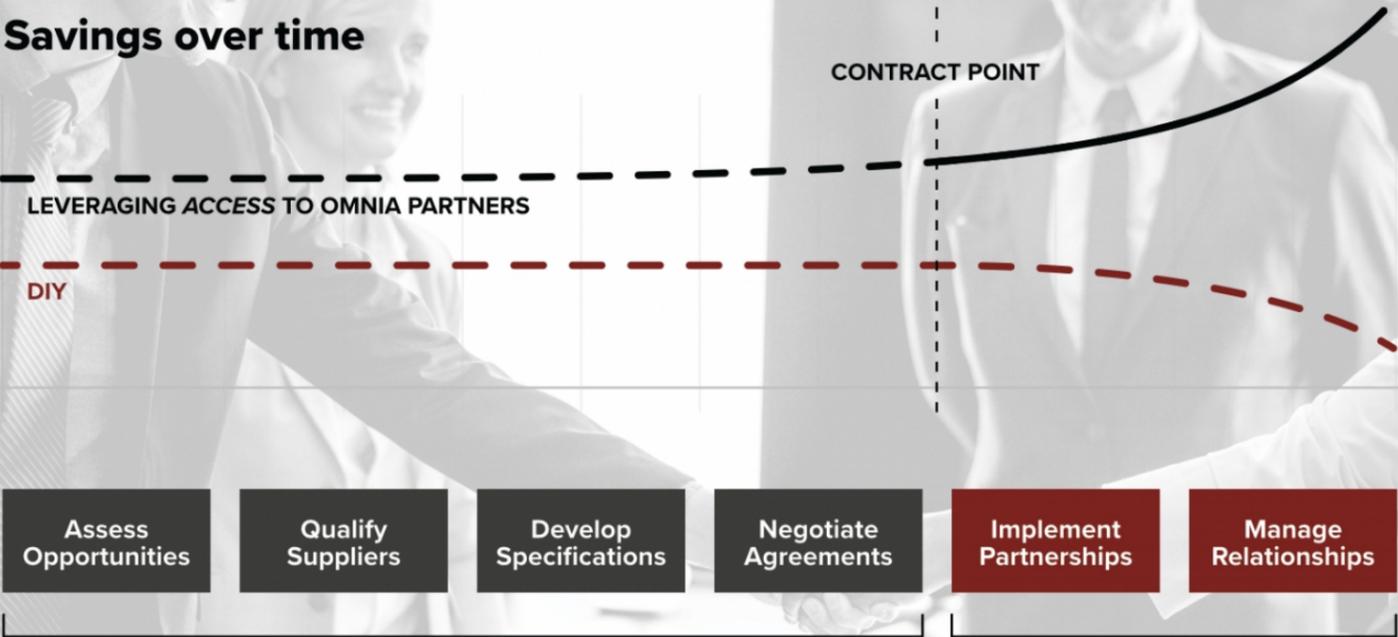
THE OMNIA PARTNERS DIFFERENCE

SPEED TO SAVINGS



Market-leading companies recognize that allocating up to 500 hours of internal resource time to execute a competitive bid or RFP for indirect or direct solutions is inefficient. When you consider the time required to gather stakeholder requirements, capture and analyze data, navigate legal requirements, implement, track results and ultimately establish an ongoing supplier management process, it becomes difficult to justify a “do it yourself” approach.

Savings over time



By leveraging access to OMNIA Partners, you could reinvest up to 500 sourcing hours **per category**

SUPPLIER AND PERFORMANCE MANAGEMENT

SUSTAINABLE SUCCESS

Since OMNIA Partners is fully integrated with our supplier partners, day in and day out, we ensure our offerings stand alone. Our pre-negotiated agreements allow you to bypass traditional time-consuming proposal and sourcing processes, creating a fully streamlined and cost-effective procurement experience. Once established, we work to ensure that savings goals are achieved and sustained without compromising superior levels of service. OMNIA Partners applies group leverage and influence to all aspects of the program, ultimately creating a unique experience without sacrificing individual company needs. Our knowledge of cost drivers keeps us one step ahead of the market. The result is a fine-tuned program that not only delivers meaningful savings, but also prevents the undetected “price creep” commonly associated with unmanaged programs.



ABOUT OMNIA PARTNERS, PRIVATE SECTOR

OMNIA Partners is the nation’s largest, most experienced, and most trusted resource in group purchasing and supply chain management. OMNIA Partners unites industry-leading purchasing power and suppliers to deliver an extensive and diverse portfolio for indirect and direct products and services in private sector procurement. Power. Access. Trust. [omniapartners.com/private sector](http://omniapartners.com/private-sector)

Better pricing.

A better process.

The best products.

Harness the Power of the Partnership:

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